

## TOWN OF MILLVILLE Planning & Zoning (P&Z) Commission Meeting Minutes December 8, 2022, @ 7:00 p.m.

<u>Call Meeting to Order</u>: P&Z Chairman Pat Plocek called the meeting to order at 7:00 p.m. with the *Pledge of Allegiance*. <u>Present</u>: Commissioner Michael Burgo; Commissioner Cathy Sheck and Commissioner Tim Roe; Town Manager Debbie Botchie; Town Clerk Wendy Mardini; and GMB Representative Andrew Lyons, Jr. Commissioner Marshall Gevinson was absent.

## 2. Approval of Meeting Minutes

A. October 13, 2022, Planning & Zoning Meeting Minutes

Motion by Commissioner Michael Burgo to accept the minutes was made. The motion was seconded by Commissioner Cathy Schek. Motion carried 4-0.

## 3. New Business

A. Review and discuss three Concept Subdivision Site Plans submitted by Davis, Bowen & Friedel, Inc., on behalf of Hocker Family Properties, LLC, and Ocean Atlantic Companies. Tax Map Parcel #134-12.00-370.00 located on the east side of Roxana Road, Millville, DE. Applicants have three options for a residential planned community containing single family, duplex, and townhomes.

Chairman Plocek announced that this presentation would not be a voting item and for P&Z comments only.

Mr. Preston Schell appeared representing the Hocker Family for this application. Mr. Schell began with a power point presentation pointing out where the Hocker supermarket is located, the location of the proposed Roxana apartment project, immediately behind the Hocker supermarket and the Hocker family property that was the item being discussed at this meeting, also pointing out where Bishop's Landing North is in relation to this project.

Mr. Schell advised that there will be three concept plans. He wanted to briefly review his proposal of 141 units on 24.5 acres. He began by explaining that there are three different concepts of different densities and mixes, different unit types with different separations between the units. Mr. Schell said that all units are for rent, not for sale and that is a key component to remember in this rental apartment project. He said that there is not enough housing being provided to our local workforce, or to people that really cannot afford to buy \$500,000 to \$800,000 single

family homes in the eastern part of the county. He went on to say that one of the ways this is being addressed is through apartment projects. He said that people ask him if there are any townhomes or single-family homes for rent, and the answer is "no." He explained that the "zoning codes in this area, both the county and the municipalities are not really set up for them, they do not really understand them, and that will be one of the topics we discuss tonight. Also, developers are just making so much money selling expensive homes to retirees that not a lot of people are focused on trying to provide housing to the local workforce."

Mr. Schell continued by saying that he did not want to mislead anyone by saying these homes are for lease to the local workforce only. If a retiree wants to lease one of these homes, then by all means, they are welcome to rent them, but they are for rent, and they are more affordable. He explained that there is no tax credit money, no non-profit, it is all market rate, but it is more affordable than buying a single-family home. He went on to say that "the ownership is really important to understand." The parcel is not subdivided. The way he has described this type of project to other parties is to imagine they had an apartment project and were going to put 24 people into a 24-unit three story apartment building and all those people came to them and said, 'Gosh, we'd really love to rent from you but we would love for them to be single family homes.' So, they grabbed those 24 units and placed them around the property as single family homes, they do not create lots, they do not subdivide, the property is still all for lease, all the maintenance is still done by the apartment project owner, but now it is just a leased community, and everything works the same. It is only single families, townhomes, and twin homes for rent now, as opposed to apartments and that is essentially what this project is.

Mr. Schell went on to explain, for Seth Thompson's benefit, that they have a project in Milton called Cypress Grove, which is rental apartments and rental townhomes and what they are proposing here is similar in design. There is no HOA, just like there is no HOA in an apartment community because there are tenants, not owners. One of the reasons that other municipalities like this is because the developer takes care of everything. They plow the streets, they pay for the lights on the streets, they maintain all the landscaping, they will own the entire community and if someone's shingle flies off the roof, it would be the owner's responsibility for fixing it, not the responsibility of the tenant who is living in that home.

Mr. Schell said that one of the reasons he likes this location is because it is a good middle ground between what is to our north and what is to our south. He said to the north there will be a 12 unit per acre apartment complex with 42-foot-high buildings and 21 units per building and to the south is the townhome component of Bishop's Landing North. He explained that the density in this project is about 5.75 units per acre. The density to our south is about three to four units depending on whether using net or gross density. But gross density is about 4.4 units per acre to Bishop's Landing North and the Roxana apartments are about 12 units per acre. He stated that they will have their townhomes and twin homes up against the Roxana apartments not up against the townhomes in Bishop's Landing North.

Mr. Schell introduced the three concepts, only showing two, stating that they are truly indifferent and it is between which one the Town likes better. He stated that he is favoring the 14-foot separation between all homes which would be Concept C. They are both 141 units. He said that another way of looking at that is the setback from a property line that they do not have. He spoke about building separation, which is essentially just double whatever your typical setback is, and in this case, 14 feet. Concept A has 10 feet between all single-family homes, 14 feet between the duplexes and 20 feet between the townhomes. It has 89 single family homes and only 20 duplexes, one has 71 single family homes and 38 duplexes, but it has the 14 feet in between all the homes. He said that it was his understanding that Millville likes to set the minimum going forward between homes, 14 feet or in typical subdivisions making a seven-foot side yard setback. He said that either of these worked for them. He left it up to the Town as to whether they think more singlefamily homes makes sense with a lesser separation between units of 10 feet, or whether you like the idea of fewer single-family homes and more duplexes with a greater separation between homes at 14 feet. He said that the consequences are virtually identical. He pointed out that the nice thing is this land is already zoned Residential Planned Community (RPC), which gives the Town the most latitude in virtually any of the zoning codes to decide what the Town wants as far as distances between homes or setbacks, assuming that the Town has broad latitude. He did not feel that they had to ask for a conditional use or bearings of any kind.

Mr. Schell continued by stating that when the tenants have been asking them for an alternative type of rental situation, they have typically been asking for single family homes. He feels that if given the opportunity to live in a townhome or twin home, they would far prefer that to a stacked apartment building. He went on with the power-point demonstration showing their Truitt Homestead project which is the most comparable. These homes are the 36-foot-wide shelf series which is the series they intend to base the single-family homes in this community off, their Coastal Cottage Series. There is a 10-foot separation between all homes, and it is not subdivided, there are no lot lines in this project. The garages are always set back 18 feet from the sidewalk, but sometimes the front of the home is pulled forward a little bit.

Mr. Schell proceeded to show a video and an aerial overhead showing the Truitt Homestead community and how dense it is. He showed a few other communities that they have built pointing out the no lot lines and explaining the maximum buildable footprints of each structure.

Mr. Schell told the Board that if they insisted upon 14-feet then he and Mr. Hocker were good with that. He went on to show examples of 5-foot setbacks and 10-foot setbacks in the Town with a 60-foot-wide home. He said that their homes are only 36 feet wide.

He also said that they would like the Town's guidance in choosing which of the three

plans would be preferred. He stated that the Town has the latitude to favor either plan because it is within the RPC and the Town can set any building separation or setbacks they want. He said that if the Town preferred the 14-foot separation between homes, which would be ok with them and that is Concept C or if the Town prefers more single-family homes and are ok with a 10-foot separation between homes, which is Concept A.

Seth Thompson, Esq. commented that there are certainly minimums, but there is also the idea behind the RPC, having flexibility. He explained that there are minimum lot areas and lot widths. He went on to talk about subdivisions and imaginary lot lines.

Mr. Lyons said that he believes that the Code talks about the single-family home and that there is a minimum, but that the council has the latitude to adjust that. He went on to explain the Code for condominium development and principle use per lot.

Mr. Schell stated that they did this in the City of Georgetown where they had a similar project. They wrote the City a Leased Planned Community Code. It will become a by right use in their UR1 Zoning Code. Georgetown said that they needed something new that specifically addresses this issue and they helped them with that.

Mr. Thompson and Mr. Schell discussed the fact that people liked having more of a backyard, useable private space. They try to push the homes forward so this can happen, but they cannot push it too far forward that a car cannot get behind the garage. Mr. Schell also commented that the garages in Millville would have to be at least 20 feet back from the street.

Mr. Schell brought up the subject of people not using sidewalks and that everyone walks in the road because of the bisecting sidewalks. He said that their company reviewed this and questioned why they were putting in sidewalks since no one uses them and they are so costly, however, they compromised by putting sidewalks on one side of the street. He stated that if their street were a boulevard or through street and had a volume of traffic, he would understand putting a sidewalk in since people would not be walking on the street.

Mr. Lyons discussed how the Code was set up now regarding setbacks, building areas, no lot lines and changes that would be able to be made through Council. Mr. Schell stated that they would not be able to get financing for this project if it gets subdivided. The financing groups that finance rental communities are not the same groups that finance for sale subdivisions, and it needs to be financed as one big single property. He continued that if the Town wanted to go ahead and subdivide it anyway that hinders their ability to finance it since it needs to look and feel like a horizontal apartment complex.

Mr. Evans brought up some observations as to where dumpsters would be located,

that the size of the entrance might be too small, the mail kiosk needs to be identified better on the preliminary plans, how are the mailboxes going to be enclosed, will the mail pickup location be covered, and will there be benches or pergolas so the residents can meet and chat. Mr. Evans wanted to confirm that no sheds, no fences, no accessory structures whatsoever will be on the property and Mr. Schell confirmed same. Mr. Evans also stated that parking spaces needed to be identified for each unit or each unit must have parking within the lot. He said that it looks like the duplexes have a single driveway so there needs to be enough parking throughout the development to have parking for all the homes. Mr. Schell stated that the single duplexes will have a single car garage and a two-car driveway which would be  $20 \times 20$ .

Mr. Evans also suggested to identify the townhouse parking spots, fountains in the ponds, installation of a pipestem to allow for turning in the parking lots and additional off-street parking on the plans. He continued to state that there would be a 14-foot separation on single families, 20-foot on duplexes and townhouses. Mr. Schell questioned the 20-feet on the duplexes and townhouses and questioned if the RPC allows the Town to do a lesser number if they wanted to. Mr. Evans responded "yes." The question of the connector road at Bishops Landing North was discussed and Mr. Evans said that he did not think it was necessary anymore. Mr. Schell said that a dog park would probably go there instead.

Mr. Evans also suggested exercise equipment around the walking trail. Mr. Schell responded by saying that people do not use those trails. He asked people who were out and about in the neighborhoods "why don't you guys ever use the trails around the ponds? And they told me to walk it." He then got out of his car and walked around the trail. The people asked him how he felt and his response was that he felt like he "was invading the privacy of all the homes and felt like a peeping Tom." He said that the individuals he was speaking to agreed and said that is why they do not use the equipment, because it is like "you're looking right in their private spaces." They told Mr. Schell that is why they walk in the street, and they love walking in the street. He stated that he would be happy to put the trails in, but people will not be using them.

Mr. Evans advised Mr. Schell that the Code states 1200 minimum square feet of living space was required for homes including townhomes, apartments, and single-family homes. Also, sprinklers were required in any building higher than 2 stories.

Council Member Marshall Gevinson questioned Mr. Schell about the tax ditch location abutting up to Dove's Landing and Mr. Schell said that they were moving it and it should take about 9 months to complete. Mr. Gevinson also questioned Mr. Schell about sidewalks and that the Code calls for sidewalks on both sides of the street, advising him that in his neighborhood, everyone walks on the sidewalks, and they should be put in. Mr. Gevinson also questioned Mr. Schell about amenities and that the pool looked too small for the amount of people that would be living in that community. Mr. Schell responded by saying that other rental apartment complexes

that do have pools, they do not get used as much as their for-sale communities that have people who are not working all the time.

Commissioner Mike Burgo also commented about the sidewalk situation and requested Mr. Schell to consider same. He also asked about dumpsters and if they were going to be enclosed. Mr. Burgo also questioned as to what the rental potential for this workforce housing was going to be. Mr. Schell stated that the townhomes would be approximately \$1900.00 p/m; duplexes would be \$2100.00 - \$2400.00 p/m; the smallest single would be approximately \$2000.00 - \$2300.00 p/m and the biggest single would be \$2800.00. Mr. Burgo commented that those prices seem like they are for professional people and not workforce people. Mr. Schell responded that it was more affordable than buying a \$600,000.00 home; that these houses would be for people making \$85,000.00 - \$95,000.00. He commented that this type of housing is happening all over the country, just not here yet.

Mr. Burgo went on to ask if there was going to be on-street parking. Mr. Schell said that if they do not have to install sidewalks then there will be on-street parking, if they must do sidewalks, then they probably will not since there will be no room. The single-family homes will have four parking spaces, the duplexes will have one garage parking spot and two behind the garage, and townhomes will have whatever the Town requires. Mr. Burgo suggested for them to consider overflow parking.

Mr. Gevinson asked about the housing that abuts up against Bishops Landing, if there was going to be a berm and some type of foliage. Mr. Schell said that there will be a tax ditch there and a berm with some type of landscaping on their side.

Cathy Scheck commented that she would like to see 14 feet between the single family and 10-feet between the duplexes, walking trails, and sidewalks. Mr. Plocek agreed with Ms. Scheck.

Mr. Schell wanted to confirm that 14 feet was ok with the single homes and duplexes and 20 feet between the townhomes which was shown in concept C. If Council is saying that they want 20 feet between the duplexes and add sidewalks then he loses density, and it would be on the edge of not working financially and would be turned into a "for sale" project. He said that they lose the density if they had to go to 20 feet between duplexes and the project then stops working.

Ms. Scheck said that she misspoke prior and approved 14 feet between duplexes, 20 feet between the townhomes and 14 feet between the single family. Mr. Lyons said that there was approved separation at Hudson's Reserve between duplexes of 14 feet and that would be updated for this community. Mr. Schell agreed with that.

Seth Thompson, Esq. commented about the residential rental requirements in the Town Code referring to the number of people allowed to be in a rental and motor vehicle restrictions for rental occupants. Further discussion was held about parking space sizes and zoning ordinances. Mr. Schell said that if the Board of Adjustment

is strict on these types of matters, then he would encourage the Town to change its Code to make this happen and not go before the BOA and argue hardship.

Mr. Plocek said that he thinks the direction of this committee is to go forward with Concept C considering the additional comments that were made. Mr. Plocek said that he wants to make it clear that we are going forward with the understanding that it is a rental community and not individual sales. Discussion was held regarding going before Council and what should be presented.

Mr. Burgo asked how long this project would take from start to finish. Mr. Schell answered that it would take approximately 30 - 36 months to complete.

Citizens' Privilege: None.

- 4. Announcement of next meeting: Not scheduled yet.
- 5. <u>Adjournment:</u> Secretary Gevinson made a motion to adjourn at 8:10 p.m. Ms. Scheck seconded the motion. The motion carried 4-0.

Respectfully submitted,

Wendy Mardini Town Clerk